

March 26, 2013

## Sen. Lucio, Jr. and Rep. Lucio III Bills to Modernize Irrigation Districts Heard in Senate and House Committees

**AUSTIN** - Today, comprehensive water district bills by Senator Eddie Lucio, Jr. (D-Brownsville) and Representative Eddie Lucio III (D-Harlingen), which would modernize how districts assess fees between agricultural and municipal clients, were heard in Senate and House committees. Passage of these bills would allow water districts to operate in a manner that will more accuracy reflect current water supply needs. The bill by Senator Lucio passed out of committee today and will next be heard by the full Senate. On the House side, Representative Lucio presented the bill in committee and awaits passage out of committee.

"Laws concerning Texas water districts have not kept up with changing times, including changes in cost, technology, and the increasingly urban clients these water districts serve," Senator Lucio said. "Today's bills will ensure that districts are able to responsibly manage water and better serve their clients."

<u>Senate Bill 611</u> by Senator Lucio and <u>House Bill 1214</u> by Representative Lucio would change the manner in which all water districts — water improvement districts, water control and improvement districts, and irrigation districts — determine the amount of flat rate assessment against the irrigable land they serve. Historically, these districts have served various clients, including local farmers, homeowners who flood-irrigate their yards and local cities' public utilities. Due to urbanization, however, water districts that previously substantially delivered only irrigation water are now delivering larger amounts of raw untreated water to cities.

Currently, the <u>Texas Water Code</u> requires that not less than one-third nor more than two-thirds of the estimated maintenance and operating expenses of a water district be paid by assessment against *all* land the district serves.

In many cases, however, it is local cities that receive almost all of a water district's supply, thus necessitating a change to the Water Code. Consider, for example, Hidalgo County Water Improvement District No. 3. According to a May 2012 report from the State Auditor's Office, the Water Improvement District relied on the City of McAllen for 91 percent of its operating revenue in fiscal years 2008 through 2011. The City, rather than paying an assessment as per current law, pays only for water that the District Improvement District delivers to it. The State Auditor's Office recommended that modifications to the Water Code may be necessary.

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Senate Bill 611 and House Bill 1214 would allow water districts to determine flat rate assessments by taking into account the amount of expected expenses which are associated with both the district's irrigation and city water delivery services.

"H.B. 1214 provides this body with a great opportunity to show Texans that we can respond to the ever changing climate for both business and the environment," Representative Lucio said today when presenting the bill to the House Committee on Natural Resources.

House Bill 1214 was considered today in the House Committee on Natural Resources and awaits passage. Senate Bill 611 passed out of the Senate Committee on Natural Resources today. It will next be considered by the full Senate.

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